

Tim Flynn
Mayor



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September 11, 2019

Mr. Kome Ajise, Executive Director
Southern California Association of Governments
900 Wilshire Boulevard, Suite 1700
Los Angeles, CA 90017

**RE: COMMENTS ON THE PROPOSED 6TH CYCLE REGIONAL HOUSING NEEDS
ASSESSMENT (RHNA) METHODOLOGY**

Dear Mr. Ajise:

Thank you for the opportunity to provide comments regarding the 6th Cycle RHNA Methodology and options outlined in the Southern California Association of Governments (SCAG) call for public comments released on August 2, 2019. The City of Oxnard acknowledges the difficult task before SCAG to allocate housing numbers across our vast and diverse region. Although we agree that California, the SCAG region, Ventura County and the City of Oxnard are experiencing an affordable housing crisis, and we anticipated a high allocation from the California Department of Housing and Community Development (HCD), we were particularly alarmed when we received the August 22 email correspondence from your office informing the SCAG region that HCD had allocated 1,344,740 housing units to the 6 Counties and 191 cities comprising the SCAG region. This is a staggering number for which cities and counties will have difficulty accommodating within an eight-year cycle. The SCAG region, and California as a whole, must collaborate to determine how to best address existing housing needs combined with future housing needs. The allocation of housing units from SCAG to each region needs to use a housing allocation methodology that acknowledges current growth patterns, local and regional infrastructure constraints, and municipal services.

The City of Oxnard has taken its responsibility not only to plan for but to support the construction of housing units at all income levels. Mandates to build more of these units without robust housing incentive funds, infrastructure and transportation funding, or market-driven solutions will not result in jurisdictions being able to meet the housing needs. . We applaud HCD for the recent grant and funding programs aimed at addressing the financing shortfall.

However, significantly more incentives need to be offered to encourage construction, master planning, and infrastructure support.

We commend SCAG for its emphasis on Local Input as an input factor associated with SCAG methodology Options 1 and 3. We have carefully considered the options and criteria and offer the following input:

- 1. We support inclusion of Social Equity.** We support the inclusion of a significant social equity adjustment in the RHNA allocation process as a way to acknowledge the affordable housing which has been constructed. This effort avoids assigning additional need in income categories where there is already a high concentration. During the 5th RHNA cycle, the City of Oxnard received a housing allocation of 7,301 dwelling units, of which 2,848 units were allocated to very low and low income groups; this represented approximately 38% of the County's total allocation. Although the City represented approximately 25% of the County of Ventura population in the 5th cycle, this allocation represented approximately 38% of the entire Ventura County 5th cycle RHNA allocation. Your social equity adjustment acknowledges high concentrations of affordable housing in communities.
 - 2. Addressing decades of existing need within a single eight-year RHNA cycle.** The HCD RHNA allocation of 1.3 million housing units unrealistically requires that existing need, accumulated over at least 20 years and almost 60% of the total regional RHNA allocation, be remedied in the 6th Cycle eight-year planning horizon.[1] In the case of Oxnard in Option 1, existing need is 69% of total need, about twice the City's future need. It is unrealistic to collapse existing and projected housing need into an eight year cycle (Option 1). Option 2 allocates the regional RHNA allocation irrespective of existing need and patterns of construction of affordable housing. The City of Oxnard is supportive of Option 3, but as currently crafted this option is flawed. The City believes Option 3 should be modified so that the existing need is spread over more than one RHNA cycle and/or the 70% assignment based on current population is significantly reallocated based on jobs. Further, the City of Oxnard requests that a factor be added to Option 3 that reassigns existing need to jurisdictions that have not added lower income housing based upon an established percentage in the 5th RHNA Cycle. Alternatively, within Option 1 the social equity adjustment could be increased from 110% to 150% for existing need.
 - 3. Options should value jobs-housing and greenhouse gas reduction strategies.** A methodology factor should be added to value placement of jobs in proximity to housing. Job rich communities should receive corresponding housing allocations to off-set impacts to the environment due to commuting and corresponding environmental externalities. Failure to provide a robust methodology to address this concepts results in the perpetual imbalance in jobs and housing.
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[1] HCD letter to SCAG, August 22, 2019, Attachment 2, Difference between 2021 and 2029 households (551,499) is considered Future Need, remainder of total SCAG RHNA is considered existing need (793,241units)

4. **We do not support Option 2 as it is not based on local Input.** Local Input factors are critical to land use planning in Oxnard, and Ventura County. Our County has long standing policies, and ordinances which restrict development and urban sprawl directing development to urban areas in order to protect and preserve open space and agricultural resources and to comply with equally important State policies and programs such as greenhouse gas reductions. Assignment of housing numbers without consideration to our unique land planning mission unfairly places housing in unrealistic locations that contradict other State mandates.

Additionally, Option 2 does not take into account any of the affordable housing units which have been built by a jurisdiction. Essentially, future growth is based off of a 2019 population - the larger your population, the larger your RHNA allocation. Further, since the City accepted a larger 5th Cycle RHNA allocation than what it should have based on our percent of the Ventura County population, this will result in a continued higher 6th Cycle RHNA allocation.

5. **Objection to HCD SCAG Allocation.** The City of Oxnard urges SCAG to appeal the Aug. 22nd HCD SCAG allocation of 1,344,740. This allocation uses data and analysis that is flawed, and unreasonable.

Oxnard recommends Option 3, with an adjustment for communities like ours which have constructed very low and low income housing, and existing need spread out over more than one RHNA cycle. Option 3 is largely based on Local Input as the main factor and has a social equity adjustment of 150%. The 150% equity adjustment reduces the City's lower income allocation recognizing that Oxnard already has a higher-than-county average of lower income households. As a result, Oxnard's RHNA allocations of moderate and above moderate units are higher, allowing our residents to "move up".

The City of Oxnard recommends an adjustment to Option 3 to acknowledge the City's efforts in building affordable housing relative to the overall County affordable housing obligation. During this 5th RHNA cycle through the end of 2018, Oxnard issued over 70% of the lower income affordable housing building permits; the City should be acknowledged for being a leader in constructing affordable housing and there should be an adjustment to the Option 3 methodology to take this into consideration.

In no instance should any RHNA allocation for the City of Oxnard exceed 25% of the Ventura County allocation based on our current share of the County population. Addressing this in RHNA Cycle 6 will not address our past disadvantage of receiving a higher allocation than our share of

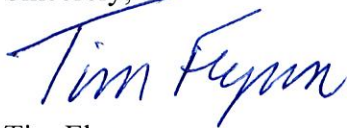
the County population but it will correct the City's position going forward. Based upon the current HCD allocation for the SCAG region, and considering that the City of Oxnard represents approximately 25% of the population in Ventura County it is recommended that the City's RHNA allocation for Option 3 be 7,875 units (25% of the total Option 3 allocation to Ventura County or 31,499 units). Further, it is recommended that the allocation match the affordability distribution recommended by SCAG in their August 22 excel spreadsheet for the City of Oxnard to account for social equity factors and the City's history of constructing affordable housing. This would mean the City's 6th cycle RHNA allocation would be adjusted. The following table provides the recommended dwelling unit numbers for the 6th RHNC Cycle and provides a comparison of dwelling unit numbers to the 5th RHNA cycle:

RECOMMENDED 6th RHNA Cycle*	
Very low income units	1,653 units
Low income units	1,103 units
Moderate income units	1,418 units
Above moderate income units	3,701 units
Total Allocation Recommended	7,875 units

**This number represents 25% of the total Option 3 allocation to Ventura County or 31,499 units and with the assumption the SCAG region continues to receive the 1,344,740 unit allocation.*

Thank you for the opportunity to comment on the development of the 6th Cycle RHNA methodology. Should you have any further questions regarding this letter, please contact Kathleen Mallory, Planning & Sustainability Manager (805) 385-8370 or Kathleen.Mallory@oxnard.org.

Sincerely,



Tim Flynn
Mayor